

# EXHIBIT 32

Laurie Squartsoff

March 6, 2006

Washington, DC

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IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF MASSACHUSETTS

- - - - - X  
IN RE: PHARMACEUTICAL INDUSTRY : MDL DOCKET NO.  
AVERAGE WHOLESALE PRICE : CIVIL ACTION  
LITIGATION : 01CV12257-PBS  
----- :  
THIS DOCUMENT RELATES TO :  
ALL ACTIONS :  
- - - - - X

Monday, March 6, 2006

Washington, D.C.

Deposition of LAURIE SQUARTSOFF, commencing at  
8:07 a.m., held at the offices of Covington &  
Burling, 1201 Pennsylvania Avenue, N.W., Washington,  
D.C., before Keith Wilkerson, a notary public in and  
for the District of Columbia.

Henderson Legal Services  
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1 A. Not that I'm aware of.

2 Q. Have you ever heard of Venacare of the  
3 Florida Keys?

4 A. I've heard of Venacare pharmacies.

5 Q. Do you know whether the state ever had any  
6 communication with Venacare pharmacies regarding  
7 AWP?

8 A. I don't recall that. If there were any  
9 communications, it may have been kept in the  
10 provider file, which was a file with an application  
11 and any information about the particular provider  
12 that was kept in the provider services unit.

13 Q. When you worked at Nevada Medicaid, Ms.  
14 Squartsoff, to your knowledge were other state  
15 agents involved in the purchasing or reimbursement  
16 of prescription drugs?

17 A. Yes. Corrections would have been involved  
18 in purchasing drugs. The state hospitals, Northern  
19 Nevada Adult Mental Health and Southern Nevada Adult  
20 Mental Health would have been involved in purchasing  
21 medications.

22 Q. Any other state agencies or entities that

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1 you can think of that would have been involved in  
2 either the purchasing or reimbursement of  
3 prescription drugs, for example the employee benefit  
4 funds board or some other organization?

5 A. Well, they would have covered the cost of  
6 prescriptions, but I don't know that they would have  
7 directly purchased medications. Those are the  
8 agencies that come to mind. I don't recall any  
9 others, but I'll think about it.

10 Q. Do you know whether Nevada Medicaid ever  
11 compared the prices at which Corrections and the  
12 state hospitals were purchasing drugs with the price  
13 at which Medicaid was reimbursing pharmacies and  
14 providers for drugs?

15 A. I don't remember that survey being done.

16 Q. April Townley, in her testimony she said  
17 or recalled discussing the possibility of using --  
18 she recalled discussing with you the possibility of  
19 using the same system that the mental health  
20 division used for acquiring certain basic drugs, to  
21 use that system at Medicaid. Do you recall those  
22 discussions?

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1           A.     That would have been the Minnesota  
2 Multistate Buying Group.

3           Q.     And what was the nature of those  
4 discussions?

5           A.     Well, there were conversations about ways  
6 to save costs, and an idea that was talked about  
7 included utilizing the state pharmacies to dispense  
8 medications to the Medicaid recipients. That was a  
9 long time ago.

10          Q.     This idea about using the Minnesota state  
11 buying cooperative, this idea was a long time ago?  
12 I'm not sure I understand.

13          A.     I don't remember exactly when I had that  
14 conversation with April, but it would have been a  
15 long time ago.

16          Q.     In the early 1990s or --

17          A.     It could have been.

18          Q.     And I guess I'm not completely clear.  
19 Maybe you could tell me again. What was the idea  
20 that you were discussing? What was the proposal on  
21 the table?

22                 MS. BRECKENRIDGE: Objection.

1           A.     If memory serves me correctly, the  
2     conversation would have been to look at the  
3     possibility of utilizing those state pharmacies for  
4     dispensing prescriptions.

5           Q.     And why would that save costs, to utilize  
6     the state pharmacies for dispensing prescriptions to  
7     Medicaid recipients?

8           A.     Well, the buying power with the Minnesota  
9     multistate would have been expanded and would have  
10    allowed -- it would just have expanded the pool of  
11    patients that would be covered under that buying  
12    group.

13          Q.     And why would that have made a difference,  
14    to expand the pool of buyers?

15          A.     If the contracted price with the Minnesota  
16    Multistate was sufficient, there may have been a  
17    savings to the state on the medications.

18          Q.     It would cost less to acquire the drugs?

19          A.     Correct.

20          Q.     But I take it this idea was not accepted.  
21    Correct?

22          A.     Correct.

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1 Q. And why not?

2 A. I don't recall exactly, but it may likely  
3 have been due to resources within the state  
4 hospital, they only had a few pharmacists, and the  
5 restrictions from the buying group on who the  
6 participating pharmacies could be.

7 Q. Did you ever speak about prescription drug  
8 purchasing or reimbursement with anyone at  
9 Corrections during your time at Nevada Medicaid?

10 A. I may have. I don't recall any direct  
11 conversations with anyone at Corrections. It would  
12 have been with Elliott King, who was the director of  
13 pharmacy.

14 Q. Did you have discussions with Elliott King  
15 about prescription drug purchasing generally, even  
16 if that's outside of your specific tasks at Nevada  
17 Medicaid?

18 A. I don't recall that. I was only at  
19 Corrections maybe twice in the pharmacy ever, so I  
20 don't recall the particulars of those conversations  
21 and whether they specifically talked about the cost  
22 of medications.

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1 Q. How about with the state hospital? If I  
2 remember your testimony correctly, at least for a  
3 time you were the pharmacist at the state hospital.

4 A. Correct.

5 Q. I don't know if you had a conversation  
6 with yourself or not on this, but after you left the  
7 state hospital did you have any conversations with  
8 the next pharmacist at the state hospital about drug  
9 reimbursement or acquisition issues?

10 A. I may have. The pharmacist who was there  
11 at the same time I was there, so there was more than  
12 one pharmacist, just for point of clarification, his  
13 name is John Warren, and I may have had  
14 conversations with him about the cost of  
15 prescriptions. It wouldn't be extraordinary in the  
16 course of pharmacy to have those kinds of  
17 conversations, but I can't pinpoint a date and a  
18 time and what the content of that conversation may  
19 have been.

20 Q. You mentioned John Warren. Is he still  
21 employed at the state hospital?

22 A. No.



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1 Q. Is he still living?

2 A. Yes.

3 Q. Does he still work for the state?

4 A. No.

5 Q. Where does he live now, if you know?

6 A. He lives in Reno.

7 Q. Do you know his address in Reno?

8 A. Yes. I don't have it off the top of my  
9 head, though. I mean I don't have it in my memory.  
10 I know what street it's on and I know how to get  
11 there.

12 Q. What street is it on?

13 A. It's on Carmel Lane in Reno.

14 Q. And do you know where Mr. Warren works  
15 now?

16 A. I believe he works at Northern Nevada  
17 Medical Center in Sparks.

18 Q. And what is his job there?

19 A. He's a pharmacy director.

20 Q. Other than possibly Mr. Warren, do you  
21 recall speaking with anyone else at any other state  
22 agency about prescription drug acquisition or

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1 reimbursement issues?

2 A. I may have had conversations with Dr. Ebo,  
3 who's the pharmacy manager for Southern Nevada Adult  
4 Mental Health, but I don't recall any other  
5 conversations. Nothing comes to mind.

6 Q. And do you recall anything specifically  
7 about the nature of your conversations with Dr. Ebo?

8 MS. BRECKENRIDGE: Objection.

9 A. No.

10 Q. Is he still employed at --

11 A. Yes.

12 Q. For the state?

13 A. Yes, and he's still at Southern Nevada  
14 Adult Mental Health.

15 MR. DAVIS: Can I suggest we break for  
16 lunch no later than noon, given that we started  
17 early?

18 MR. DOVE: That's sounds great.

19 Q. During your time at Nevada Medicaid did  
20 you have communications with people in similar  
21 positions as you from other states?

22 A. Yes.

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